

FISCAL NOTE

HB 2732 - SB 2902

March 18, 2004

SUMMARY OF BILL: Requires a health care insurance company to provide its reasonable and prevailing rate chart within 30 days of a written request from a health care provider who has provided services for the insurer, or the provider's attorney. Failure to provide the chart within 30 days requires the insurer to pay the provider's full rate.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Other Fiscal Impact - Making rate schedules public may reduce the ability of managed care organizations to negotiate with providers. A loss of negotiating ability could eventually increase health insurance premiums.

Providing a rate schedule to providers in the state employee health insurance plan or in the TennCare network will create a not significant increase in administrative expenses. The bill would require insurance plans to reveal rates to non-network providers who were reimbursed for services to a plan participant outside the network.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director

HB 2732 - SB 2902